

CITY OF MIAMI BEACH
Office of the City Manager
Letter to Commission No. 027-2005



To: Mayor David Dermer and
Members of the City Commission

Date: February 1, 2005

From: Jorge M. Gonzalez
City Manager

A handwritten signature in black ink, appearing to read "Jorge".

Subject: **ATLANTIC BROADBAND NOTIFICATION OF A CABLE RATE INCREASE**

On January 31, 2005 the City received notice that Atlantic Broadband, the City's cable provider, will be modifying their pricing structure as indicated on the attached correspondence.

The basic service tier (\$12.48) is the only tier of service that the City may regulate under the Federal Telecommunications Act of 1996, as amended. It should be noted that the City has no regulatory authority over the so called "expanded basic" service or premium channels.

A handwritten signature in black ink, appearing to read "JMG".
JMG\REP

c: Murray Dubbin, City Attorney
Tim Hemstreet

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CITY CLERK'S OFFICE

CITY CLERK FILE REF # 493 - FEBRUARY 1, 2005

1681 Kennedy Causeway
North Bay Village, FL 33141305.861.8819 TOLL FREE
305.861.9617 FAX

Mr. Robert Paroher
City of Miami Beach
1700 Convention Center Dr.
Miami Beach, FL 33139

January 26, 2005

Dear Mr. Parcher,

When Atlantic Broadband acquired the cable television system serving your community last March, we made a number of commitments to you regarding technology, service and responsiveness. As we enter the New Year, we want to advise you of the many improvements we have made already, and to inform you of what is planned for 2005.

We recognize that the primary concern of most cable subscribers is that of system quality and reliability. In 2004, we upgraded the infrastructure of our High Speed Internet service to improve reliability and increase speed up to 3.0 mbs. We also upgraded our plant distribution network installing additional fiber optic nodes, status monitoring and 100% back-up power supplies. These improvements are providing enhanced digital picture quality and greater capacity for advanced services to your constituents.

Of course, quality service requires a high level of customer care. Therefore, we adjusted our staffing hours and levels to meet the dynamic needs of our customer base. Customers can continue to reach an Atlantic Broadband representative twenty four hours a day, every day.

Our investments in South Florida are yielding big improvements and bringing exciting new services to our customers here:

- In October 2004, we introduced the most technologically advanced Digital Video Recording service available today, giving our customers the power to watch what they want, whenever they want, as well as pause live TV and record two programs while watching a third.
- We added seven new programming services, and created a 22-channel Latino tier in July.
- We introduced Atlantic Broadband High Speed Internet Service, and doubled the speed of our Max service from 1.5 mbs to 3 mbs.
- For HDTV customers, we have added four new HD channels: ESPN HD, STARZ! HD, WFOR-4 HD and WSVN-7 HD.
- ABC Family will join our Value Service lineup on Channel 83, effective March 1, 2005.

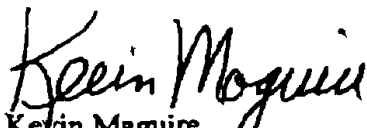
Our popular new channels, advanced services, improved customer care, and the investments in our system and technology are all part of Atlantic Broadband's commitment to providing the service our customers deserve and demand. But they also represent major expenses for our company, and that is why we find it necessary to adjust some of our prices effective March 1, 2005. A detailed description is attached, and following is an outline of some of the key features:

- With our most cost-conscious customers in mind, there will be no increase in the price for Limited Basic Cable Service. The price for this service will remain at \$12.48 per month.
- The monthly fee for Value (Expanded) Service will be adjusted from \$44.15 to \$46.50 per month. This adjustment of \$2.35 represents an increase of approximately 5%. For the relatively small number of customers who receive the Value Service in conjunction with Digital Service, their monthly bill will increase from \$61.10 to \$63.45 (less than a 4% increase).
- These changes affect less than one quarter of our customers, and represent their first increase in more than a year.

Of course, all affected subscribers will be provided with the details of all changes this week. Copies of those notices are enclosed.

All of us at Atlantic Broadband hope you join us in our enthusiasm for what has been accomplished in the last nine months. Equally important, next year will bring continued investment in your community, as well as a continuation of our efforts to enhance and improve your broadband communications system. As always, I welcome your comments and any questions you may have.

Sincerely,



Kevin Maguire
Atlantic Broadband
Vice President & General Manager